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APRIL 11, 1966

THE U.S. AGRICULTURAL MISSION TO SOUTH VIETNAM

USSR PLANS TO DOUBLE FRUIT OUTPUT BY 1970

OUR TRADE COMPETITORS INTENSIFY PROMOTIONS

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FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

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South Vietnamese regional force sentry guards group of farmers working in commercial vegetable garden. See Secretary Freeman's report on U.S. Agricultural Mission to Vietnam, opposite page.

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U.S. Agricultural Team Sees Hope for Vietnam's Farmers

Today the country's agriculture is hard hit by the war but Vietnamese farmers are ready for the "yield takeoff" as soon as the fighting ends.

By ORVILLE L. FREEMAN
Secretary of Agriculture

A short time ago—at the President's direction—I took a team of 10 U.S. agricultural experts to see the problems and progress of agriculture in South Vietnam firsthand. Just a bit larger than the State of Florida, South Vietnam has a population of 15 million, three times as many as Florida. Three out of four are farm people—about the same proportion as in many less developed countries in Africa, Asia, or Latin America. Agriculture has been generating one-third of the gross national product, and prior to the Viet Cong terrorism and diversion, agricultural exports supplied most of the foreign exchange.

Three-fourths of the country's cultivated land is in the Mekong Delta, in the south. Rice normally occupies four-fifths of the cultivated land. Rubber, on only 5 percent of the planted area, formerly brought in over one-half of South Vietnam's foreign exchange earnings. The country also produces small amounts of corn, cassava, sweetpotatoes, sugarcane, peanuts, beans, fruit, coconuts, tea, and coffee. Livestock output—mostly meat, eggs, and duck feathers—has accounted for less than a fourth of total farm output.

Farm production has dropped since 1963 as a result of the war. Labor for rice and other crops is being drained off by the recruiting of both the Viet Cong and government military forces. Rice and rubber are being diverted by the Viet Cong, and Viet Cong roadblocks and taxation have cut off normal marketing for much of the rice crop.

Security for the farmer

The immediate agricultural problem in Vietnam—and we saw this with our own eyes last month—is to make the land secure for the farmer to till, move ahead with land reform, and greatly improve the marketing and distribution from producing areas to the population centers.

When these things have been accomplished—and I am confident they can be accomplished—the peasant farmer is ready to begin the "yield takeoff" which we recognize as the sound basis for agricultural development and economic growth in the developing countries. The peasant farmer's progress before Communist aggression, his eagerness to use improved crop varieties, pest control methods, fertilization, and better livestock management wherever his land and home are safe, clearly show that he is ready to take Vietnamese agriculture into a new age.

Until 1963, agricultural development was making good progress. Between 1954 and 1959, I was told, farm output in South Vietnam rose about 50 percent. In the next few years—until about 1963—production again was in-

Secretary Freeman inspects vegetables raised by Vietnamese farmer on left.

South Vietnamese farm woman fertilizes rice by hand. Rice is country's biggest crop, but harvesting and marketing have been disrupted by the war.

creased, this time by something like 25 percent.

Schools, research stations established

There are other evidences of progress in the face of the most difficult conditions imaginable.

Since 1955, with U.S. help, three vocational agricultural schools have been established, with 1,500 students enrolled. An agricultural college was started in 1959. The first class of 46 students graduated in 1962 with the equivalent of a B.S. degree. In 1965, 55 students graduated.

Since 1958, a network of 8 agricultural experiment stations has been established, plus 14 regional or provincial stations. These stations have already provided several hundred million cuttings of improved sweetpotatoes to thousands of farmers, enabling them to double and triple production. Improved corn seed has been tested, multiplied, and distributed to farmers, resulting in an increase in corn production from 25,000 tons in 1962 to an anticipated 100,000 tons in 1966. Potatoes, onions, and garlic, formerly imported, have been developed as commercial crops in relatively secure areas.

38 million rats killed

Plant protection against insects, disease, and rats has been stepped up. Before 1961, farmers lost an estimated third of their crop to plant pests. Then, largely at our instance, the Plant Protection Agency in the Vietnam Ministry of Rural Affairs was organized and by last year, losses were cut to 20 percent. In that year, for example, 360,000 farm families used 49,000 tons of rat poison to kill an estimated 38 million rats.

Where farmers have been able to use improved varieties of rice, to fertilize their land, and to protect the crop from pests, yields have risen as much as 50 percent. Progress also had been made in farm machinery, credit, cooperatives, fisheries, and extension work, but as the Viet Cong bombed and killed government agricultural workers, progress has been difficult at best, and sometimes impossible.

Mission encouraged

Our Agricultural Mission went to Vietnam, (1) to lend emphasis to the nonmilitary activities in that country, especially the past accomplishments and potential for agriculture under peaceful conditions, (2) to evaluate the impact of on-going agricultural programs and determine how they can be improved under present conditions, and (3) to continue long-term improvement efforts.

We were encouraged by many things we found:

- In Phan Rang I saw reclaimed land, distributed under the Vietnamese Government's agrarian reform, planted to a modified strain of Texas onions. The farmer was earning roughly $800 per acre for this crop. This compared with previous earnings of about $8 to $12 per acre for rice in the same area.
- A Vietnamese hog at 8 months weighs about 110 pounds. In Can Tho, I saw hogs bred from American stock that weighed more than 200 pounds at 8 months.
- Along the coast I was shown how many fishermen have increased their catches as much as sixfold by motorizing their boats. Such improvements have raised total Vietnamese fish production from 165,000 tons in 1959 to more than 368,000 tons in 1965.

In spite of the war, death, oppression, and the instability in Vietnam, I came away encouraged. All of us on that Mission saw that the country has tremendous potential for increased agricultural growth if farms and fields can be secured from aggression and terror. When battles are fought on farmlands, when government services to farmers are cut back or stopped, when supplies of fertilizers, pesticides, and tools cannot be moved to the hamlets and villages, production must suffer.

Hard problems ahead

Our admiration for what we saw and our encouragement by what is being done did not obscure our attention to present and future problems.

There is much to be done in tightening and restructuring the government machinery to meet the demands of the two-front war—to carry forward the spirit and meaning of the Honolulu meeting. Many procedures and institutions must be adapted to the requirements of total mobilization. The difficult job of bringing inflation under control is receiving concentrated attention. We dealt with these and many other hard problems in our talks with officials at all levels. We felt that the Vietnamese were frank in these talks and receptive to suggestions.

Until 1963 agriculture was making progress in Vietnam. Left, extension agents get training in vegetable production. Right, farmer shows home economist stand of USDA 34 sweet corn.

With enough fertilizer, with the opening of new farm lands, with increasing ownership of the land by the people who till it, with double cropping through irrigation, with better seed, pesticides, tools, and education and credit, South Vietnam can again become a rice bowl of Asia, perhaps even helping to feed a hungry nation like India.

Until recently, U.S. farm aid to Vietnam had emphasized institution building—schools, extension services, and other basic organizations. Now, we are getting involved in impact programs. The "second front" is urgent.

Rural development cadres trained

Under a Vietnamese Government program called "rural construction" technicians trained as rural development cadres are sent into newly secured villages to live and work with the people. The objective is to improve security by physically protecting the farmer and at the same time giving him a greater personal share in his own economic and political development. This gives the Vietnam farmer the incentive and the will to resist, because he will know he is fighting for the improvement of his own personal position.

I was impressed by the training given cadre members who are returning to their home areas as those areas are freed from the Viet Cong. They will help the peasants maintain security, improve their incomes, health, and education, and give them a stake in their nation's future.

At the National Training Center at Vung Tau, I was shown how these cadres, who wear the traditional black pajamas of the peasants, are trained ideologically and technically and then heavily armed to repel Viet Cong raids. They are trained to respond to the needs of the peasants so they can improve their welfare: The use of fertilizers, pesticides, and high-yield seed, along with better livestock breeds and improved farming practices.

Cadre members take oath

None of this is simply handed over to the villages or forced upon them. They must ask for it, earn it. The cadre members take an oath which reflects the ideological and practical aspects of their training:

"To mingle with the people; to unite our efforts with those of the people in the annihilation of underground Communist cadres and of village bullies; to bring the people social facilities fitted to their sincere and legal aspirations so that they will trust the government policy and will carry out rural construction and village management by themselves, with a view to developing a new life in liberty, democracy, and happiness."

This rural reconstruction program, with careful and comprehensive training of cadre members and their indoctrination into the old traditions and customs of their people, seems to be a workable formula for restoring peace and security to rural hamlets and surrounding farmlands.

U.S. technicians sent

We are following up to make sure that the President's mission to Vietnam becomes an important first step toward lasting peace in that area. Already there is an increased flow of supplies and of technically and professionally skilled people moving from the United States to work with our Vietnamese agricultural colleagues. Only last week, five top-level USDA workers left for Vietnam to spend a month or longer if necessary as a part of this continuing follow-through of the Presidential Mission on Agriculture. Others will go out as needed.

The task of liberating the countryside of Vietnam from Communist aggression will take time. It will not be easy. Nevertheless, as I left that courageous little country, I was confident that with the help of the United States and other Free World nations the leaders and people of Vietnam will successfully resist military aggression and concurrently push their program for rural development.

Record Coffee Outturn in Sight for Mexican Producers

By JOHN C. SCHOLL
U.S. Agricultural Attaché, Mexico City

The harvest of a record coffee crop—3 million 132-pound bags—is nearing completion in Mexico. Combined with last season's substantial carryover, the 1965-66 crop is posing problems as Mexico, like so many other producing countries, faces the dilemma brought on by mounting world coffee stocks.

This season's bumper crop may be attributed primarily to good growing and harvesting weather, improved cultural practices, and the "on year" in the production cycle. However, the use of new varieties and improved cultural techniques is dampening the effects of the traditional on-and-off-year cycle in Mexican coffee production.

Mexico produces a good mild coffee. Production is confined to the southern part of the country, especially the states of Veracruz, Chiapas, Puebla, and Oaxaca.

Mexico's 1965-66 (October-September) coffee export quota under the International Coffee Agreement is 1,423,-000 bags, only a slight increase over its 1,411,000-bag quota in 1964-65. Thus, with its booming production, Mexico is intensifying its efforts to accelerate the rate of increase in domestic consumption and to ship more coffee to "new markets"—shipments not charged to its ICA quota. Progress is evident in both areas.

Plans to raise consumption, exports

An aggressive sales and promotion campaign under the auspices of the Mexican Coffee Institute has helped bring domestic consumption up to nearly 1¼ million bags annually, a threefold increase in the past decade. A committee of the Institute is also buying, at reduced prices, 16 pounds of coffee for every 100 pounds exported. Under this plan, about 200,000 bags are expected to be purchased this season, a large part of which will be used in promotional campaigns to boost domestic consumption. The temporary removal of some coffee from the regular supply should help stabilize the internal market.

While 1965-66 shipments to new markets have so far been small and were only 17,655 bags in 1964-65, indications point to substantial increases in the future. Most of the soluble coffee produced in Mexico is consumed locally because of stiff competition in international markets.

Coffee plays an important role in the Mexican economy. Among agricultural exports, it generally ranks second in value only to cotton, usually accounting for about 20 percent of the value of agricultural exports and about 10 percent of the value of total exports.

Coffee also ranks high in the broad U.S.-Mexican trade pattern under which about half of Mexico's agricultural exports or one-fourth of its total exports by value go to the United States. A dependable and nearby source for good-quality mild coffee, Mexico ships about 80 percent of its total coffee exports to U.S. markets. The agricultural trade balance between the two countries is favorable to Mexico, but the balance of overall trade between them favors the United States.

Mexico has historically supported international cooperation in solving commodity problems. A continuation of this policy was reiterated by President Diaz Ordaz in his State of the Union address on September 1, 1965, and by Professor Gil Preciado, Secretary of Agriculture and Livestock, in the new 5-Year Agricultural Plan.

Helps develop international agreements

Leaders of the Mexican coffee industry were among the first to urge international efforts to cope with mounting world coffee surpluses in the late 1950's. In the summer of 1957, Mexico played a major role in developing the so-called Mexico City agreement, whose members were Brazil, Colombia, Costa Rica, El Salvador, Guatemala, Mexico, and Nicaragua. This was the first of a series of producers' agreements which preceded the present International Coffee Agreement developed by a United Nations conference in 1962. These producers' agreements and the international Coffee Study Group developed in 1958—also strongly supported by the Mexican coffee industry—provided the setting for the current agreement, which includes all major coffee producing and consuming countries.

Mexico also strongly supports the so-called supply-management provision of the current agreement. Its industry leaders—concerned over the large 1965-66 crop—realize that this agreement cannot long survive unless producing countries develop plans to hold their production in line with domestic and export needs and reasonable reserves as provided for in Article 48 of the agreement. Following the disastrous Brazilian crop of 2 years ago, world production has made a strong comeback, and the current world crop is approaching the record 1959-60 outturn of 79 million bags, some 15 million above probable 1965-66 consumption.

Coffee acreage to be diverted

Mexico has definite plans to adjust its coffee acreages in line with Article 48 of the agreement. Since increases in yields per tree have thus far more than offset the 5-percent decrease in acreages since 1962—from 741,000 to 703,950 acres—the Coffee Institute recognizes that additional acreage cuts are necessary and is carefully developing programs for this. At the same time, it will continue to focus on improving quality and cultural practices, giving special attention to better pruning methods, improved varieties, and more fertilizer use. The Coffee Institute is also conducting experiments advising on the construction and operation of wet and dry processing mills.

The Mexican Government is stepping up its work at experiment stations at Tapachula in Chiapas and Jalapa in Veracruz to find replacements for the additional coffee it plans to take out of cultivation. Alternate crops being considered include rubber, citrus, avocados, and mangoes.

As part of this effort, 15,000 acres are now being planted to rubber, 900,000 budded stumps of orange and other citrus have been distributed, and 750,000 stumps are in nurseries. Also, 116,000 avocado plants have been distributed, and 120,000 are in nurseries. The Mexican Coffee Institute is supervising and helping to finance this program to diversify coffee acreage to the extent necessary for a sound, efficient coffee program within the guidelines of the coffee agreement.

Soviet Union Plans To Double Fruit Production by 1970

The Soviet Union—a sizable importer of fruits and fruit products—is pushing toward greater self-sufficiency. New plantings have matured to boost output substantially since 1960, and a high rate of expansion is anticipated for the next several years as even more new acreage reaches bearing age.

By 1970, gross production of fruits, berries, and grapes is slated to reach 14.3 million short tons—about double the 7.5-million-ton level of the past few years. If the 1970 planned level is attained, per capita fruit production will have increased from about 35 pounds to 117 pounds in the course of two decades. Gross output in 1950 was only 3,142,000 tons.

Goal seen as attainable

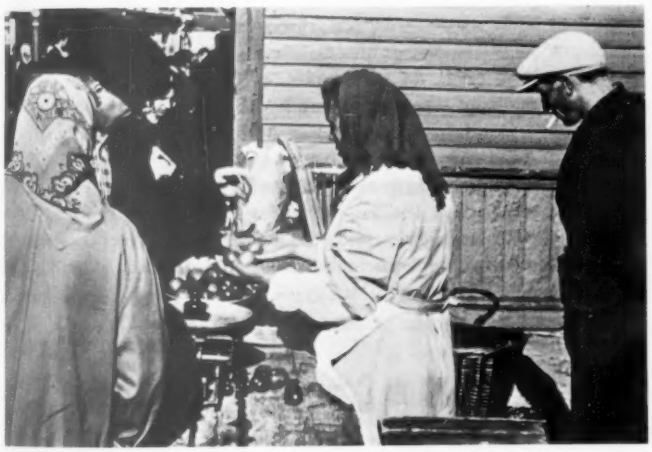
Expansion of acreage devoted to fruits, berries, and grapes in the past few years makes realization of the 1970 goal a distinct possibility. From 4,094,000 acres in 1953, combined bearing and nonbearing acreage for fruits and berries, including citrus, rose to 8,760,000 in 1964. Total vineyard area rose from 934,000 to 2,627,000 acres in the same period.

While acreage entering production during the past few years has been mainly on socialized plots, private plots are far from unimportant. These have sizable new fruit and berry plantings of nonbearing age, and over the next few years acreage coming into production will probably exceed that being retired. Much private grape acreage also consists of young plants not yet in production.

Soviet yields are currently low, partly because of the high ratio of the new bearing area to the total bearing area and partly because of poor fertilization, cultivation, and pest-control practices. However, yields will probably rise some as the mature bearing area increases and even more as cultivation techniques are improved. In spite of much sharper acreage increases in the socialized sector of agriculture, yields of fruits, berries, and grapes are higher in the private sector.

Deficient marketing, processing

Processing and marketing of fruits and berries in the Soviet Union are poorly organized, contributing to the low quality of the product offered the consumer.



Clockwise from above: Sunday morning shoppers buy fruits and vegetables at a kolkhoz (collective farm) market in Moscow; culture of apple trees on dwarfing rootstocks; contoured hillside. where peach, apple, and apricot trees will be planted.

In 1964, government procurements accounted for about 35 percent of total fruit and berry production. Approximately two-fifths of this was canned, and, presumably, the greater part of the remainder was marketed as fresh fruit. Of production left on farms and/or in private hands, data indicate that between one-fifth and one-quarter was marketed as fresh or dried fruit in collective farm markets.

Government procurement of grapes accounted for slightly over 70 percent of production, with about 85 to 90 percent of procured grapes used for wine. It appears that a large part of the grapes left in private hands and/or on farms also goes into wine production.

While official statements on 1965 marketings are not yet available, it is presumed that they followed a pattern similar to that of 1964.

The outlook for the next few years as Soviet production of fruits, berries, and grapes increases is not clear. Utilization of grape outturn is the lesser problem, as wine production will probably rise roughly in proportion to grape output. Soviet production of wine in 1964 totaled about 335.7 million gallons.

For fruit and berry production, however, considerable investment in the processing and more efficient marketing will be needed if the already high level of waste is not to increase. Although net canning tonnage rose from 420,000 in 1958 to 670,000 in 1964, canned fruit output has not expanded as rapidly as fruit and berry procurements, and investment in the canning industry has been inadequate. Little is known about the Soviet frozen food industry, but indications are that freezing of fruit is rudimentary and insignificant.

West Germany Modifies Poultry Regulation

In addition to postponing from January 1 to July 1 the date upon which its new poultry grading regulation becomes effective, the West German Government has responded favorably to the U.S. request that the labeling requirement be modified. (See *Foreign Agriculture*, Aug. 16, 1965, and Feb. 21, 1966.)

The U.S. request for a postponement of the effective date and modification of the labeling requirements was presented in an aide memoire to the West German Government in October 1965. Since that time, FAS and its industry cooperator, the Institute of American Poultry Industries, have worked closely with the German Ministry of Agriculture in an effort to forestall problems that might arise from the implementation of the regulations.

In an aide memoire on March 24, the West German Foreign Office authorized the use of stickers attached to individual packages and/or label inserts, both printed in German. The stickers must adhere tightly to the package and not be removable. Printed inserts must be placed between the carcass and the wrap, which must be transparent.

Stickers and inserts must be clearly visible, printed in legible type, and placed in an eye-catching place on the upper side of each individual package. Furthermore, the labeling in German on the individual package must not be inferior in size, color, and arrangement of letters to that of the labeling in any other language that may appear.

Control of the new regulation, which applies to all imported and domestic poultry products with the exception of Rock Cornish hens, will be in the hands of State inspectors who work closely with the Ministry of Agriculture.

Frost, Drought Damage Sicily's Oranges

A hard frost in January, combined with little or no rain for the past 4 months, has dealt a double blow to citrus growers in the Sicilian Provinces of Siracusa, Catania, and Messina.

During April-June 1965, these three provinces accounted for 25 percent of Italy's total orange exports of 200,000 metric tons, compared with 25 and 13 percent in 1964 and 1963 respectively.

The frost caused extensive damage to mature and immature oranges and to new growth on trees. As a result, Rome and Milan wholesale markets rejected a total of 25 tons of Moros and Sanguinellos on March 1.

According to trade sources, much more fruit will be rejected for fresh use over the next 3 months and will either be destroyed or sold to processors at very low prices. In mid-March, most of the Ovalos being picked were going to processors at 20 lire (3.2 U.S. cents) per kilogram, since the drought and frost dehydrated the fruit and left what juice remained bitter.

Trade and government sources report similar drought and frost conditions in Calabria. However, this will have little effect on the market, as Calabrian oranges are normally of poor quality and few enter export channels.

Wind machines sold to Italian citrus producers by an American firm have been of some use in preventing frost damage in the groves. About 50 were in the affected Provinces when the January frost hit. Although results were good on high ground, the machines were ineffective in the lowlands because of the extreme cold.

—Dispatch from JAMES K. FRECKMAN
Assistant U.S. Agricultural Attaché, Rome

Good Cotton Crop Reported for Iran

Largely because of favorable weather conditions in most of Iran's cotton-growing areas, production of ginned cotton in 1965-66 is estimated at 640,000 bales (480 lb. net), compared with 530,000 in 1964-65.

Of a total of about 940,000 acres planted to the 1965-66 crop, 642,000 were in the Caspian Coast-Gonbad region and 198,000 were in Khorasan Province.

Exports of raw cotton for the 1965-66 marketing year (August-July) are estimated at about 400,000 bales. This compares with 313,000 bales in 1964-65 and 326,000 the year before.

Domestic cotton prices are lower this season than a year ago, mainly as a result of the large crop and a declining world demand. It is anticipated that in the Gonbad region some land may be shifted from cotton to wheat and barley in 1966-67. A local source reports that attractive sugarbeet prices could lead to a reduction of cotton area in Khorasan Province.

In the West German market: Australia, above, runs a full-page ad on its farm exports; right, a Dutch poultry ad.

Below, Israel boosts Jaffa oranges and grapefruit; Spain's olive oil ad, bottom, suggests sending for recipes.

U.S. Trade Competitors Intensify Promotion In Three Biggest Agricultural Import Markets

U.S. agricultural attachés stationed in the world's biggest food-importing markets—the United Kingdom, West Germany, and Japan—report increased promotional activities by this country's top competitors. Most of them spent more money, expanded market development programs, and launched a number of new campaigns.

The reports highlighted 1965 activities of Canada, Australia, New Zealand, Denmark, the Netherlands, Israel, South Africa, and France in the three markets. These countries along with a number of others, invest millions annually to open and develop markets for fresh and processed foods, feed, and agricultural raw materials. Increasing populations, growing economies, and improved diets have upped requirements in recent years substantially past the ability of domestic producers to meet the demand. The United Kingdom, West Germany, and Japan together spend $12 billion a year on imported farm products.

The United Kingdom

Foreign promotion activities in the United Kingdom last year, reports Robert A. Anderson, U.S. agricultural attaché in London, show bigger investments and broader programs from Australia, New Zealand, Denmark, the Netherlands, and Spain. Only South Africa and Israel cut expenses.

Permanent trade centers and exhibitions, in-store promotions, and advertising remain the chief promotional tools for U.S. competitors in the United Kingdom. Norway opened a food center last year, and Denmark—with a food center in London for many years—opened one in Manchester.

Australia puts more than half its yearly promotion funds into the United Kingdom, and in 1965 carried on its biggest campaign yet. Food trade magazines revealed last spring that Australia would spend more than $2.8 million promoting its canned fruits in Britain during 1965. The Australian High Commissioner commented: "Nothing on this scale has ever been done in the U.K. canned fruit market."

Through the summer and fall posters were displayed at more than 500 sites throughout Britain, reaching every community with a population of more than 100,000. Trade press reports this past fall said 30,000 retail stores in Great Britain had participated in Australian promotions between July and December—12,000 during one 2-week period in October alone.

Most intensive New Zealand campaigns were for butter and cheese. Throughout the year a wide range of point-of-sale material was distributed to U.K. cooperative societies, buying groups, and large food retailers.

Denmark concentrated promotion on dairy and pork products, with its "Danish Bacon Mystery Shopper" campaign a feature. The Mystery Shopper visited the 30,000 U.K. stores which participated, awarding a basket of Danish products to consumers inquiring about Danish bacon.

Israel campaigned chiefly for Jaffa grapefruit and Spain for oranges.

West Germany

In West Germany, Assistant Agricultural Attaché Alexander Bernitz reports that nearly all foreign competitors increased investments last

year but made no dramatic changes in programs. Most noteworthy were West Germany's new programs to promote its own products, with new emphasis on the slogan "From German soil—fresh to the table."

The German poultry industry launched a major $200,000-promotion campaign aimed at the domestic market, following upon the heels of strong efforts to improve quality.

In the planning stage is a market promotion association to provide the West German food industry with a central and coordinated approach to domestic market promotion. The organization will be responsible for the distribution and development of quality product labels, and operate along with organizations already promoting milk, eggs, and animal fat foods.

It is being organized under the joint sponsorship of a number of German trade groups. The German Government is contributing $1.25 million.

Italy, U.S. competitor for rice in Germany, sponsored a trip for German agricultural journalists to inspect Italy's rice industry.

Neighbor countries, the Netherlands, Denmark, and France, together spent more than $4 million in West Germany last year, maintaining media advertising at about the same level as 1964. The Netherlands increased its 1964 funds by $30,000 and Denmark by $11,000 in poultry promotion alone.

Plans for 1966 include stepped-up programs by both Poland and Ireland. A $900,000 investment by Poland for promotion activities in West Germany—$500,000 more than in 1965—will permit a more diversified program to include all Polish food exports instead of exclusively geese, as in the past.

Ireland will carry out a number of joint promotional campaigns in conjunction with German retail sales outlets. The Irish Trade Center and participating German firms will share public relations and advertising costs.

Japan

In Japan, third biggest world food importer, promotional efforts increased appreciably in the past year, according to James C. Fink, Assistant U.S. Agricultural Attaché. This was particularly true for two important promotional techniques; visits by top officials, both to and from Japan, and trade shows and exhibitions.

Most prominent of the visitors to Japan was Prime Minister Keith J. Holyoake of New Zealand, with only slightly less high-ranking officials from Australia, Canada, Argentina, and Denmark. Japanese teams went to Denmark, Australia, New Zealand, and Canada.

Big trade fair events in 1965 were the Tokyo International Trade Fair and Japan's first International Livestock Show. The Trade Fair, which alternates between Tokyo and Osaka, has been an annual event for more than 10 years and remains the outstanding activity of its type in Japan.

The 4-week livestock show was held near Tokyo, with breeding stock of cattle, hogs, and sheep imported from several foreign countries shown and subsequently sold.

A large-scale British exhibit last fall included a model British food store at which visitors purchased British-type foods, beverages, and tobacco.

Two foreign airlines sponsored restaurants featuring their national foods. Early last year Swiss Airlines offered typical Swiss meals in a chalet atmosphere in Tokyo's Imperial Hotel. The project proved so popular that a Swiss restaurant was established in Tokyo. Scandinavian Airlines is now using the same hotel to offer smorgasbord in Scandinavian surroundings.

New Zealand invested $285,000 to promote its products in Japan last year—chiefly for wool, meat, and dairy products.

In a concentrated effort to popularize mutton and lamb as table meats in Japan, the New Zealand Meat Board donated 120 lamb carcasses to a nation-wide organization of 1,200 young meat wholesalers and retailers for demonstrating and sampling.

Denmark's promotions in Japan were limited mostly to poultry. Among highlights last year was the 22-member team visit of Japanese poultry industry representatives to Denmark at their own expense. The Danish Embassy held an exhibit-type reception for representatives from importing firms, wholesalers, and the press.

France's promotions were chiefly for wines, cheeses, and gourmet foods. Last year France participated in the Annual Cheese Exhibits, the Tokyo International Trade Fair, and the World Food Show. France reportedly will open a trade center this month in Tokyo; 8 to 10 shows will be staged a year.

Australia spent about $230,000 in Japan last year to promote food products. The country's pavilion at the 1965 Tokyo International Trade Fair—reportedly built for $120,000—displayed frozen meat, dairy products, dried fruit, and other food items.

South Africa participated in the same fair last year for the first time with a $15,000 exhibit of foodstuffs and oilseeds. An elaborate South African display is planned for the 1966 fair at Osaka, and South African businessmen have been advised to contact their Japanese customers in preparation for the exhibit.

West Germany Steps Up Promotion of Its Farm Exports

West Germany's big display at the recent International Agricultural Exhibition at Paris is part of Germany's drive to increase exports of agricultural products.

Clockwise from left: U.S. Ambassador G. Frederick Reinhardt (dark glasses) with Lyle Liggett (r), American National Cattlemen's Assoc.; America Day; Mr. Scholz welcomes Italian press.

Exhibits of U.S. Cattle, Feeds, Fats, and Foods Seen by Thousands at Verona Agricultural Fair

Attendance at the recent 68th Verona Agricultural Fair, Europe's largest agricultural event, hit 800,000, up 40,000 from last year. Most of them visited the U.S. pavilion to inspect exhibits of U.S. farm products available for export to Italy.

Response to a carefully tailored mailing sent out to the trade in both Italy and Switzerland prior to the fair is credited with attracting a number of key tradespeople and officials.

Distinguished visitors to the American exhibit included Italy's Prime Minister Aldo Moro and the new Minister of Agriculture Franco Restivo. U.S. Ambassador G. Frederick Reinhardt was the special guest at American Day ceremonies.

The entire exhibit was designed and planned with an "Old West" theme. Visitors entered a mock Western Village where they found an exhibit area and barbecue self-service restaurant. Nearby were five pens of feeder cattle and two pens of veal calves.

U.S. feed grains, soybeans, and animal fats shared a large booth where U.S. cooperator representatives were available to answer questions and provide promotional literature.

Kennebec seed potatoes from Maine, a variety known and favored by Italian farmers, were promoted at another booth and 400 10-pound bags were sold. Washington State hops and Pacific Northwest dried peas and lentils were also promoted at this booth with a number of inquiries received.

The self-service barbecue featured American hamburgers, turkey sandwiches, and chicken parts. Over 10,000 serving were sold during the 9-day fair.

Nine representatives of the National Cattlemen's Association manned an information booth in the exhibit. They also took turns in the cattle barn to promote the sale of U.S. cattle and explain the advantages of the various types on display.

The U.S. cattlemen visited a number of Italian farms to learn the type of cattle best suited to the Italian beef producing program.

Events sponsored by two U.S. cooperators in connection with the fair did much to stimulate interest.

The U.S. Feed Grains Council held several conferences to discuss the merits and uses of U.S. grains with Italian cattle producers and mixed feed manufacturers. The National Renderers Association presented awards to the three winners of a local veal feeding campaign conducted during the past several months in cooperation with ASSALZOO, a national Italian feed cooperative.

—WILLIAM L. SCHOLZ
U.S. Agricultural Officer, Milan

Four Projects Open 1966 Wheat Promotion in Japan

Wheat Associates, which cooperates with FAS in market development in the Far East, will begin four promotion programs in Japan this spring.

Starting this month are training and educational seminars for bakers—a promotional technique used by FAS and Wheat Associates for the past 10 years in Japan. Jointly sponsored this spring by the National Renderers Association, the program will also try to help Japan's shortening manufacturers achieve consistent quality shortening, an important factor in baked goods. U.S. baking technician Walter L. Frey will conduct the seminars.

A biscuit and cracker management, production, and marketing seminar, featuring a U.S. technician, is set for May, and later that month second-year programs for promotion of noodles and Western-type cakes and pastries.

Canadian Farmers Plan Expansion of Small-Grain Area in 1966

Canadian farmers plan to seed 50.7 million acres to small grains in 1966, compared with 48.43 million in 1965, according to officially reported March 1 intentions to plant. This is an increase of 2,270,000 acres over 1965 intentions and 5 percent larger than the average acreage in 1963-65.

Intended acreage in food grains increased by 1,267,000 acres. Planned acreage in wheat is up 5 percent from 1965 and 11 percent above the 1960-64 average. However, rye acreage is down 67,000 acres from last year's record 746,000 acres. Acreage of feed grain (barley, oats, and mixed feed grains) is up about 1 million acres.

The Prairie Provinces—Saskatchewan, Alberta, and Manitoba—are increasing grain area by 5 percent, or 2,241,000 acres, over 1965. Land in these Provinces occupies about 90 percent of Canada's acreage in grains. Some 1.5 million acres taken out of summer fallow apparently were available for planting to field crops.

Wheat acreage near record

Farmers' intentions to plant wheat are reported at 29,616,000 acres—only 70,000 acres below the 1964 record of 29,686,000. The Prairie Provinces account for 29,070,000 acres compared with 27,790,000 in 1965. Their combined wheat area is about the same as the record 29,080,000 acres planted in 1964. Prairie farmers plan to plant 920,000 acres of durum, 10 percent above last year's plantings, but still substantially below the 1960-64 average of 2,055,000 acres.

Prospective wheat plantings in Saskatchewan are 1 million acres larger than in 1965 and even exceed the record 1964 level by 300,000 acres. Intended acreages in Alberta and Manitoba are 2 and 4 percent, respectively, larger than in 1965 but below the 1964 level.

The wheat acreage increase is due partly to above-average moisture conditions in the Prairie Provinces. Also, a heavy off-farm movement to meet the strong export demand has encouraged farmers in these Provinces to plant additional land to wheat.

Winter wheat intentions lower

Winter wheat acreage in Ontario, the only Canadian producer of that type, is estimated at 410,000 acres, compared with 362,000 harvested in 1965 and 455,000 in 1964. Last year, Ontario's winter wheat planned acreage was 456,000 acres, but severe winterkill greatly reduced the area harvested.

Canadian barley acreage shows the largest percentage increase—18 percent above 1965. Planned area is estimated at 7,120,000 acres, up 1,083,000 from 1965 and 1,236,000 above the average. Oats area, at 9,597,000 acres, is about the same as in 1965. Intended area in mixed grain, at 1,562,000 acres, is up 4 percent from 1965.

Prairie farmers indicate they intend to use 585,000 tons of fertilizer in 1966. This is 26 percent more than the 1965 preliminary sales indicate.

—L. THELMA WILLAHAN
Grain and Feed Division, FAS

United Kingdom To Import More Feed Wheat, Fewer Coarse Grains

According to the new estimate of the Ministry of Agriculture, the United Kingdom's wheat requirements in 1965-66 will amount to 8.5 million long tons, including imported wheat flour. This is 150,000 tons more than was forecast a month earlier. The increase arises because a larger amount of imported wheat is being used for feeding animals than was anticipated before.

Import requirements of wheat and wheat flour in 1965-66 are now put at 4.45 million tons—200,000 tons above the estimate made at the end of December 1965. Estimated needs for human consumption remained at 5.4 million tons.

Most imports already purchased

By the end of January 1966, 2.69 million tons of wheat and wheat flour had been imported and a further 1.45 million were announced as having been purchased for delivery before June 30. This left only 310,000 tons still outstanding for purchase in 1965-66. At the same time in 1964-65, 1.04 million tons of wheat and wheat flour requirements still remained to be purchased.

In July-January 1965-66, U.K. flour millers had taken only 930,000 tons of home-grown wheat, whereas at the same time a year earlier use of domestic wheat for flour milling totaled 1.19 million tons. Other processors this year, however, increased their intake to 910,000 tons, as against 730,000 in July-January 1964-65.

Coarse-grain needs

With the 150,000-ton increase in requirements of wheat for animal feed, a corresponding decrease has been made in the forecast of coarse-grain requirements. This decrease is reflected in a reduction in import requirements for coarse grains—now placed at 3.8 million tons, compared with 3.95 million tons as forecast a month earlier. The quantity of coarse grains expected to be needed for industrial use, seed, and exports—at 1 million tons—is the same as in the previous estimate.

Of the 3.8-million-ton import requirement of coarse grains, 3.56 million tons had either been imported or announced as having been purchased by the end of January. This left only 240,000 tons still outstanding for purchase during the remainder of the current year. At the same time in 1964-65, 1.13 million tons of coarse-grain import requirements were still outstanding.

—Dispatch from DAVID P. EVANS
Office of U.S. Agricultural Attaché, London

U.S. Cotton Exports for February Announced

Exports of U.S. cotton in the first 7 months (August-February) of 1965-66 amounted to 1,997,000 running bales, 7 percent less than the 2,154,000 bales exported in the same period of 1964-65. Exports in February were 254,000 bales, compared with 278,000 in January 1966 and 181,000 bales in February 1965. However, the totals for January and February 1965 were exceptionally low because of the U.S. shipping strike.

U.S. COTTON EXPORTS BY DESTINATION
[Running bales]

Destination	Year beginning August 1				
	Average 1955-59	1963	1964	Aug.-Feb. 1964	Aug.-Feb. 1965
	1,000 bales	*1,000 bales*	*1,000 bales*	*1,000 bales*	*1,000 bales*
Austria	33	23	11	6	1
Belgium-Lux.	160	176	80	53	35
Bulgaria	0	19	0	0	0
Denmark	17	16	6	3	4
Finland	22	10	11	6	5
France	360	380	184	122	77
Germany, West	475	401	217	167	67
Hungary	0	18	0	0	0
Italy	416	442	260	185	62
Netherlands	124	127	65	43	22
Norway	10	14	13	7	8
Poland & Danzig	85	132	67	65	34
Portugal	28	35	22	9	4
Spain	171	14	28	13	7
Sweden	75	88	58	33	48
Switzerland	64	95	66	51	29
United Kingdom	525	286	153	75	96
Yugoslavia	108	78	109	89	117
Other Europe	17	20	10	6	6
Total Europe	2,690	2,374	1,360	933	622
Australia	54	91	60	31	23
Canada	217	448	390	196	178
Chile	35	2	1	(1)	3
Colombia	33	14	1	(1)	56
Cuba	27	0	0	0	0
Ethiopia	4	9	4	0	12
Hong Kong	134	187	150	33	59
India	184	314	243	65	26
Indonesia	30	21	47	47	0
Iraq	0	20	0	0	0
Israel	16	26	23	10	5
Japan	1,154	1,301	990	450	481
Korea, Rep. of	205	313	261	137	187
Morocco	10	15	12	6	8
Pakistan	14	8	9	1	6
Philippines	64	140	75	32	44
South Africa	26	37	43	25	20
Taiwan (Formosa)	153	189	203	110	125
Thailand	4	39	55	12	38
Uruguay	15	(1)	0	0	0
Venezuela	2	12	6	5	5
Vietnam[2]	2	75	63	39	46
Other countries	27	27	64	22	53
Total	5,100	5,662	4,060	2,154	1,997

[1]Less than 500 bales. [2]Indochina prior to 1958; includes Laos and Cambodia.

Nigeria Produces Less Cotton in 1965-66

Nigeria's 1965-66 cotton crop is now estimated at about 200,000 bales (480 lb. net), compared with 210,000 last season and the record 1960-61 outturn of 260,000. Hot, dry winds during the blooming stage reportedly reduced this season's crop.

Based on a national average yield of less than 200 pounds of lint per acre, the area in cotton this season is probably around 750,000 acres. Although cotton expansion is planned by Nigeria's new government, price incentives so far have been insufficient for this end to be achieved. The price to producers for the better grade of Nigerian cotton (NAI) from the current crop is 5 pence (5.8 cents) per pound of seed cotton.

Nigeria imports no raw cotton but imported about 200 million square yards of cloth in both calendar year 1963 and 1964, most of which came from Communist China, Hong Kong, and Japan. Consumption of raw cotton increased from an annual average of 23,000 bales in the 1955-59 period to about 90,000 bales in 1964-65.

In the 1955-59 period, average annual exports were 146,000 bales. Exports reached 180,000 bales in 1960-61—a direct result of that season's record crop. However, each season's exportable supply has dwindled since then as consumption has continued to climb. It is unlikely that Nigeria will be able to increase exports of cotton in the foreseeable future unless improved cultural practices, increased use of fertilizer, adequate credit, and improvement of the marketing system receive special emphasis.

In the August-June period of 1964-65, exports of cotton to principal destinations, in 1,000 bales and with comparable 1963-64 figures in parentheses, were Netherlands 18 (24); Belgium 15 (20); Mainland China 12 (9); Japan 9 (0); United Kingdom 8 (41); Yugoslavia 6 (1); Italy 4 (7); West Germany 4 (3); Denmark 4 (15); France 4 (12); and all others 2 (8).

Canadian Cotton Consumption Continues Strong

Textile mills in Canada opened 290,708 bales (480 lb. net) of cotton in August-February 1965-66, according to the Canadian Textile Institute. This was 7 percent above the 272,104 bales opened in the same period of 1964-65. February openings were 41,214 bales, compared with 40,528 in January and 42,010 in February of 1965.

Sudan's Demand for Sugar Increasing

Continued gains in the consumption of tea, coffee, and soft drinks are causing an increased demand for sugar in the Sudan. About 87 percent of the country's sugar needs are still imported.

The new sugar refinery at Genaid produced 16,592 metric tons of refined sugar in 1965. This production allowed a drop in imports of refined sugar from 121,248 metric tons in 1964 to 116,293 metric tons in 1965. Poland, the USSR, Mainland China, Cuba, Taiwan, and France were the Sudan's principal sugar suppliers in 1965, although the United Arab Republic had been the major source in the early 1950's and 1960's.

In addition to the Genaid Scheme, sugarcane has also been planted in the Khashm Al Qirbah Scheme. Increased local production is scheduled to supply most of the Sudan's expanding demand for sugar.

Pakistan Expects Larger 1966 Tobacco Crop

The 1966 tobacco harvest in Pakistan is tentatively forecast at 245 million pounds from 227,000 acres, compared with a 1965 harvest of 242 million pounds from 224,000 acres.

The 1966 flue-cured harvest is forecast at 34 million pounds—up 21 percent from the 1965 harvest of 28 mil-

lion. Larger crops of light sun-cured, dark fire-cured, and oriental tobaccos are also expected this season, whereas harvests of dark air-cured, dark sun-cured, and cigar-type tobaccos are expected to be slightly under those of last year.

U.S. Tobacco Exports Up in February

U.S. exports of unmanufactured tobacco in February 1966 totaled 29.5 million pounds, compared with only 7 million in February 1965 when the dock strike sharply reduced export volume. The value of February 1966 exports was $23.8 million—about 4 times the value of February 1965 shipments.

For the period July 1965 through February 1966, exports of unmanufactured tobacco totaled some 358.2 million pounds, up 10 percent from the 325.7 million shipped out in the same period of fiscal 1965.

The value of tobacco product exports in February 1966 also was up sharply from a year before. Total value was $10.6 million, compared with $6.5 million. All tobacco products shared in the increase.

U.S. EXPORTS OF UNMANUFACTURED TOBACCO
[Export weight]

Kind	February		Jan.-Feb.	
	1965	1966	1965	1966
	1,000 pounds	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*
Flue-cured	4,032	18,986	7,876	43,790
Dark-fired Ky.-Tenn.	217	1,662	289	2,001
Burley	579	5,570	668	8,254
Va. Fire-cured[1]	155	169	207	1,350
Maryland	385	295	420	786
Green River	24	73	24	151
One Sucker	—	20	—	37
Black Fat	5	326	52	607
Cigar wrapper	183	924	255	1,207
Cigar binder	63	62	308	154
Cigar filler	25	51	58	124
Other	1,357	1,387	2,852	3,034
Total	7,025	29,525	13,009	61,495
	Mil. dol.	*Mil. dol.*	*Mil. dol.*	*Mil. dol.*
Declared value	5.9	23.8	9.2	52.2

[1]Includes sun-cured.
Bureau of the Census.

U.S. EXPORTS OF TOBACCO PRODUCTS

Kind	February		Jan.-Feb.	
	1965	1966	1965	1966
Cigars and cheroots *1,000 pieces*	2,513	4,098	3,822	8,316
Cigarettes *Million pieces*	1,329	2,019	2,047	3,534
Chewing and snuff *1,000 pounds*	5	56	6	105
Smoking tobacco in pkgs. *1,000 pounds*	40	54	48	162
Smoking tobacco in bulk *1,000 pounds*	351	1,052	470	1,644
Total declared value *Million dollars*	6.5	10.6	9.9	18.5

Bureau of the Census.

Congo's Cigarette Output Rises

Cigarette output in the Congo (Leopoldville) during the first half of 1965 totaled 1,273 million pieces, compared with 914 million in January-June 1964. Production for all of 1965 probably approached 2,900 million pieces, compared with 2,056 million in 1964 and 3,573 million in 1963. Production of cut tobacco, mainly for pipes, remains very small, amounting to 1,457 pounds during January-June 1965. However, this was far above the 935 pounds produced in the first 6 months of 1964; it was closer to the total 1964 output, which was 1,598 pounds, compared with 2,037 in 1963.

Paraguay's Tobacco Exports Set New Record

Paraguay's exports of unmanufactured tobacco last year totaled a record 32.5 million pounds—16.5 percent above the previous high of 27.9 million in 1964.

The average export price per pound last year was equivalent to 13.2 U.S. cents, compared with 13.7 in 1964 and 14.3 in 1963. A breakdown of Paraguay's 1965 exports by country of destination is not currently available.

Argentine Canned Fruit Pack Drops Again

Argentina's 1966 canned deciduous fruit pack is forecast to drop for the third consecutive year and total 840,000 cases, compared with 1,328,000 in 1965. The reduced pack is attributed partly to adverse growing conditions which substantially lowered fresh production.

Canned fruit exports during calendar year 1965 totaled 353,700 cases—down 141,000 from 1964. Reportedly, reduced availabilities, rising production costs, and an unrealistic exchange rate are responsible for the smaller export pack. West Germany is the largest overseas market, followed by Venezuela, the United Kingdom, and Peru.

ARGENTINA'S CANNED DECIDUOUS FRUIT PRODUCTION

Item	1964-65	1965-66[1]
	1,000 cases 24/2½	*1,000 cases 24/2½*
Sweet and sour cherries	13	10
Apricots	17	15
Peaches	1,151	690
Pears	54	45
Fruit salad	81	70
Fruit cocktail	12	10
Total	1,328	840

[1]Forecast.

Canned peach production—by far the largest item in the canned fruit pack—is forecast to drop from 1,151,000 cases in 1965 to 690,000 in 1966. Exports may total only 75,000 cases, for a drop of nearly 270,000 cases from the 1965 level.

ARGENTINA'S SUPPLY AND DISTRIBUTION OF CANNED PEACHES

Item	1964	1965	1966[1]
	1,000 cases 24/2½	*1,000 cases 24/2½*	*1,000 cases 24/2½*
Supply:			
Beginning stocks	240	49	25
Production	1,715	1,151	690
Total supply	1,955	1,200	715
Distribution:			
Exports	490	343	75
Domestic disappearance	1,416	832	625
Ending stocks	49	25	15
Total distribution	1,955	1,200	715

[1]Forecast.

Record Citrus Export Predicted for Israel

The fast pace of Israeli exports of fresh citrus thus far in 1965-66 support predictions that the country may set a new citrus export record of some 15.5 million boxes, valued at $80 million or more.

Through March 6 of the current marketing year (Oct.-Sept. 1965-66), 9.7 million boxes had already been exported, compared with 7.95 million for the same period of last season.

Largest gain was in shipments of Shamouti oranges, up to 6.75 million boxes from the 5.65 million of the 1964-65 period. Quality of the crop was reported to be exceptionally good, allowing this unusually large export and a decline in deliveries to processors—to 81,000 metric tons from 88,000 last season.

Grapefruit shipments also rose—to 2.25 million boxes from 1.75 million. However, the crop contained more culls than usual and 53,000 metric tons had to be processed compared with 40,000 in the 1964-65 period.

The European Economic Community continues as leading buyer of Israeli citrus.

Larger Argentine Dried Prune Pack

The 1966 Argentine dried prune pack has been estimated at 6,000 short tons—up 500 tons from the previous year, but well below the 1960-64 average of 7,800 tons. Reportedly, prune size is larger than in 1965 and more suitable for foreign markets.

Exports in 1966 are forecast to reach 4,300 tons as compared with 3,800 a year earlier. Brazil was the leading market in 1965, taking 74 percent of edible shipments. Other importing countries include Peru, West Germany, Norway, and the United Kingdom.

ARGENTINA'S SUPPLY AND DISTRIBUTION OF DRIED PRUNES

Item	1965[1]	1966[2]
	Short tons	*Short tons*
Beginning stocks (Jan. 1)	100	200
Production	5,500	6,000
Total supply	5,600	6,200
Exports	3,800	4,300
Domestic disappearance	1,600	1,700
Ending stocks (Dec. 31)	200	200
Total distribution	5,600	6,200

[1]Revised. [2]Estimate.

U.S. Exports of Soybeans and Products

February exports of *soybeans* from the United States, at 17.1 million bushels, declined from the 19.6 million exported in the previous month. Cumulative exports in the first half of the 1965-66 marketing year, beginning September 1, were 36 percent (37.9 million bu.) above exports in the corresponding period of 1964-65. The gain chiefly reflects larger movements to traditional markets in Europe as well as to Japan.

Edible oil exports in February, at 99 million pounds, were slightly below the 102.6 million exported in January. Cumulative exports in the October-February period continued substantially below the volume exported in the comparable period the year before.

In February, U.S. *cake and meal* exports increased to

U.S. EXPORTS OF SOYBEANS, EDIBLE OILS, AND OILSEED CAKES AND MEALS

Item and country of destination	Unit	February 1965[1]	February 1966[1]	Sept.-Feb 1964-65[1]	Sept.-Feb 1965-66[1]
SOYBEANS					
Japan	Mil. bu.	3.9	5.4	22.9	31.4
Netherlands	do.	.8	2.2	15.2	20.4
Germany, West	do.	1.5	3.4	12.4	19.2
Canada	do.	(*)	.1	16.8	15.2
Italy	do.	.9	.2	5.6	11.2
Other	do.	4.2	5.8	33.7	47.1
Total	do.	11.3	17.1	106.6	144.5
Oil equiv.	Mil. lb.	124.4	187.6	1,170.2	1,586.9
Meal equiv.	1,000 tons	266.2	401.4	2,504.6	3,396.4
		February 1965[1]	February 1966[1]	Oct-Feb 1964-65[1]	Oct-Feb 1965-66[1]
EDIBLE OILS					
Soybean:[3]					
Pakistan	Mil. lb.	—	1.2	74.7	100.0
Iran	do.	2.2	13.0	29.1	64.5
Yugoslavia	do.	—	—	1.1	40.2
Israel	do.	—	—	16.8	15.4
Morocco	do.	13.8	—	22.7	14.2
Tunisia	do.	3.1	—	9.0	11.3
Canada	do.	3.2	2.1	13.3	9.7
Other	do.	50.4	25.8	360.0	71.3
Total	do.	72.7	42.1	526.7	326.6
Foreign donations[4]	do.	—	26.8	[5].9	70.5
Total soybean	do.	72.7	68.9	527.6	397.1
Cottonseed:[3]					
Germany, West	do.	20.4	—	93.1	39.6
Canada	do.	2.1	6.5	19.2	24.7
Pakistan	do.	(*)	—	4.8	21.7
Venezuela	do.	2.0	1.9	10.1	15.3
Mexico	do.	—	7.1	(*)	15.1
Morocco	do.	—	.9	11.0	15.0
Egypt	do.	—	7.0	25.0	7.0
Japan	do.	—	1.4	.2	6.8
Other	do.	18.5	5.2	91.2	29.4
Total	do.	43.0	30.0	254.6	174.6
Foreign donations[4]	do.	7.5	.1	45.9	.8
Total cottonseed	do.	50.5	30.1	300.5	175.4
Total oils	do.	123.2	99.0	828.1	572.5
CAKES AND MEALS					
Soybean:					
Germany, West	1,000 tons	15.4	37.2	127.3	237.1
France	do.	27.6	70.1	130.2	208.4
Netherlands	do.	21.0	21.5	121.6	162.5
Canada	do.	13.2	13.5	106.7	103.4
Italy	do.	12.7	33.7	44.5	98.0
Belgium	do.	16.8	18.6	75.8	86.8
Spain	do.	8.4	33.8	33.3	68.5
Denmark	do.	12.2	4.8	52.6	66.1
United Kingdom	do.	2.6	5.9	8.4	59.6
Poland	do.	—	9.4	—	53.6
Other	do.	32.7	24.8	146.5	159.1
Total	do.	162.6	273.3	846.9	1,303.1
Cottonseed	do.	.5	6.9	63.1	77.3
Linseed	do.	2.4	1.4	26.5	49.9
Total cakes and meals[7]	do.	165.9	283.6	942.3	1,445.0

[1]Preliminary. [2]Less than 50,000 bushels. [3]Includes Title I, II, III, and IV of P.L. 480, except soybean and cottonseed oils contained in shortening under Title II. Excludes estimates of Title II exports of soybean and cotton seed oil not reported by Census. [4]Title III, P.L. 480. [5]October-December 1964 estimated by USDA, includes salad oil and oil in shortening. [6]Less than 50,000 pounds. [7]Includes peanut cake and meal and small quantities of other cakes and meals.

Compiled from Census records and USDA estimates.

Note: Countries indicated are ranked according to quantities taken in the current marketing year.

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283,600 short tons—14,200 tons above the volume exported in January. Exports for the 5-month period through February, at 1,445,000 tons, increased by 53 percent from the tonnage exported in the comparable 5-month period of 1964-65. A major portion of the 502,700-ton increase moved to countries in Europe.

African Groundnut Council Established

Nigeria, Senegal, Niger, and Upper Volta have agreed in principle to the establishment of a common marketing organization to handle the sale and marketing of peanuts and byproducts in world markets. This organization is to be known as the African Groundnut Council. The Council established its headquarters in Lagos, Nigeria, on March 16.

According to the Lagos *Daily Telegram* the Council aims at: "(a) Establishing a basis for an ever closer union between African states; (b) promoting the economic and social progress of the people; and (c) stabilizing prices of groundnuts and byproducts in world markets."

The Council reportedly will "ensure through adequate joint action remunerative prices for groundnuts and byproducts in world markets." It also will "promote the expansion of groundnuts and organize the exchange of technical and scientific information on research relating to the production, marketing, and possible use of groundnuts."

Membership in the Council is open to all African countries and all members of the Organization of African Unity which export peanuts.

Algeria Suffering From Severe Drought

In spite of recent precipitation, this year could be one of the driest in a century for Algeria. While the drought has been most severe on the high plateaus and in western Algeria, eastern Algeria has generally fared better than the rest of the country.

Total cereal production may drop as low as 800,000 metric tons, compared with normal output of about 2 million. Observers report pasture lands in the hardest hit areas are grazed down to the bare earth and will require a great deal of rain to revive.

Effects of the drought on market-garden vegetables vary, with irrigated areas doing fairly well. So far, vineyards and olive orchards have not been significantly affected, and it is too early to judge whether the drought will hinder next fall's citrus crop.

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